

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM

The Department of Business, Economic Development and Tourism, established under section 26-18 and specifically provided for under chapter 201, Hawaii Revised Statutes, works to support business, create jobs, and improve Hawaii's standard of living through diversifying the economy, expanding existing business, and attracting new economic activity. Headed by the Director of Business, Economic Development and Tourism, the Department pursues this task through an active program of business support and development, investment attraction, business and trade missions, tourism marketing and support of diversification initiatives, permit and licensing facilitation, statistical and economic research, and provision of core information to business and the community at large.

Business Development and Marketing Division

The Business Development and Marketing Division promotes industry development and economic diversification in Hawaii by opening new markets for Hawaii's businesses, attracting new job-creating investments to Hawaii, increasing the export of Hawaii products and services, and improving Hawaii's business image. Industries that have been targeted in marketing and business development initiatives include medical/healthcare services, education and training, technology, infrastructure development services (master planning, architectural/engineering/environmental services, etc.), and Hawaii products.

Business Support Division

The Business Support Division promotes the formation and growth of small businesses through a wide range of programs directly helping new and existing enterprises. Programs include management, technical, and informational assistance, plus one-stop expediting of licenses and permits. A major activity is financial assistance through several loan and grant programs, and working with the private sector to develop new sources of venture capital. The Division administers state and local government activities partially funded by federal economic development programs, and administers statutes creating community-based development projects and enterprise zones. The Division helps small businesses expand their share of government orders for goods and services.

The Division also serves as an advocate of business by reviewing government rules, regulations, and practices to guard against unduly burdening the business sector. The Business Support Division encourages out-of-state film producers to use Hawaii as a production site and facilitates their work when they are here. In addition to generating local expenditures when feature films, television series, and commercials are being produced in Hawaii, this nonpolluting industry advertises the appeal of Hawaii to the world.

Foreign-Trade Zone Division

The Foreign-Trade Zone Division administers the statewide foreign-trade zone (FTZ) program authorized by the federal government. It manages zones and subzones in different locations, giving Hawaii-based companies greater access to international trade--and international products and components--at substantial savings. Use of the zone is encouraged for manufacturing and merchandise storage and processing. The Division reviews plans with Hawaii enterprises to help identify possible FTZ benefits. These activities increase the State's employment and revenue potentials.

Energy, Resources, and Technology Division

The Energy, Resources, and Technology Division is responsible for the State's energy planning and policy, including statewide fuel enterprises. In addition to coordinating strategic planning for energy and resource development, it manages the State's programs on energy conservation, alternate energy development, and emergency energy preparedness. It operates or administers most of the federal and state energy conservation and energy efficiency programs in Hawaii, develops business and export opportunities for Hawaii energy and environmental companies, and recommends state positions on federal energy legislation and policy.

The stability and growth of ocean-related industries is promoted with a variety of service programs and development projects by this Division. Key areas of responsibility are the development of ocean-based science and technology enterprises, seafood marketing to domestic and international buyers, and creation and oversight of a state ocean resources management plan.

The Energy Division is responsible for the State's energy planning and policy, including statewide fuel enterprises. In addition to coordinating strategic planning for energy and resource development, it manages the State's programs on energy conservation, alternate energy development, and emergency energy preparedness. It operates or administers most of the federal and state energy conservation and energy efficiency programs in Hawaii, develops and operates public education programs, and recommends state positions on federal energy legislation and policy.

Research and Economic Analysis Division

The Research and Economic Analysis Division is the State's official source of economic data and analyses as an aid to decision-making and planning. The Division forecasts and measures the impacts of economic activity in Hawaii to help the State plan and adjust to changing conditions. In addition to preparing the State of Hawaii Data Book, quarterly economic forecasts, and compiling daily and monthly visitor statistics, the Division publishes a number of statistical abstracts, reports, and newsletters. The data and reports are posted on DBEDT's website. It monitors economic trends and maintains an economic and business statistical database. It serves public and private sectors alike. The Division helps in business

development and attraction projects, operates the Hawaii State Data Center, and assists the Bureau of Census.

Administrative Services Office

The Administrative Services Office manages DBEDT's financial accounts, budget, contracts, personnel, property, risk management program, and other administrative matters.

The Fiscal Staff is responsible for budget preparation, department-wide purchasing, maintenance of accounts, physical inventory record-keeping, and other related services. The Contracts Staff offers technical assistance in the development and administration of the Department's contracts. The Personnel Staff supports the Department in the areas of classification, recruitment, pay administration, employee benefits, training, and labor relations.

Communications and Publications Office

The Communications and Publications Office informs both public and private sectors about Hawaii's business development activities, objectives, and opportunities. This is done by disseminating information and developing reports and other publications.

Agencies Attached for Administrative Purposes

Hawaii Tourism Authority

The Hawaii Tourism Authority (HTA), established under section 201B-2, Hawaii Revised Statutes, is the state government's lead agency for strengthening Hawaii's vital visitor industry. The Authority formulates policy, conducts research, and coordinates development and implementation of the Tourism Strategic Plan. It coordinates with the Hawaii Visitors and Convention Bureau the worldwide marketing of Hawaii as a visitor destination. HTA was created as the lead state government agency for tourism in 1998.

Aloha Tower Development Corporation

The Aloha Tower Development Corporation, established under section 206J-4, Hawaii Revised Statutes, is responsible for redeveloping a certain area of the Honolulu waterfront including the landmark Aloha Tower complex. The purpose is to enhance trade activity, beautify the waterfront, stimulate downtown commercial activities, and expand public access and usage.

The Corporation is headed by a board of directors with seven voting members. The Governor appoints three public members to the Board. The Director of Business, Economic Development and Tourism, the Director of Transportation, the Chairperson of the Board of Land

and Natural Resources, and the Mayor of the City and County of Honolulu serve as ex officio voting members.

Hawaii Community Development Authority

The Hawaii Community Development Authority, established under section 206E-3, Hawaii Revised Statutes, in cooperation with private enterprise and various federal, state, and county agencies, carries out community development programs for the improvement of specific areas of the State as designated by the Legislature. The first area so designated is the Kakaako Community Development District in Honolulu, established under section 206E-32, Hawaii Revised Statutes, and currently under commercial and residential redevelopment. The Hamakua Community Development District, on the island of Hawaii, was added under section 206E-171, Hawaii Revised Statutes. The Kalaeloa Community Development District, to redevelop Barbers Point Naval Air Station, was established by Senate Bill No. 2702, C.D. 1, passed by the Legislature on April 30, 2002.

The Authority consists of eleven voting members: the Director of Finance, the Director of Business, Economic Development and Tourism, the Comptroller, and the Director of Transportation serve as ex officio voting members, and seven members are appointed by the Governor for staggered terms. The Authority annually elects the Chairperson and Vice Chairperson from among its members.

Hawaii Strategic Development Corporation

The Hawaii Strategic Development Corporation (HSDC), established under section 211F-2, Hawaii Revised Statutes, develops investment programs that stimulate economic growth, employment, and economic diversification. Special emphasis has been given to investment opportunities that advance the development of technological innovation. The Corporation leverages funds by arranging the participation of private funding sources or other government programs. In addition to making direct and indirect investments, the Corporation may provide businesses with insurance, guarantees, or letters of credit.

In parallel efforts with the investment activities, HSDC is also responsible for coordinating outreach and infrastructure development programs for small businesses and start-ups with significant high growth potential. This includes programs regarding: (1) entrepreneurial development and mentoring; (2) technology transfer and commercialization; (3) pre-venture funding; (4) research regarding venture capital demand and deal-flow; and (5) marketing awareness and investment attraction.

The governing body is an eleven-member board of directors, eight of them from the public and appointed by the Governor to staggered terms. The Director of Business, Economic Development and Tourism serves as ex officio voting member. The final two members are representatives of the Natural Energy Laboratory of Hawaii Authority and the Hawaii Strategic Development Corporation Boards of Directors.

Hawaii Television and Film Development Board

The Hawaii Television and Film Development Board, established under section 201-112, Hawaii Revised Statutes, administers grant and venture capital investment programs for qualified entertainment projects and the Hawaii television and film development special fund. The Board also assesses and considers the overall viability and development of the television and film industries and makes recommendations to appropriate state or county agencies.

The Board is composed of nine members: four are appointed by the Governor for four-year staggered terms; one of the Governor's appointments is from a list of nominees submitted by the President of the Senate, and another is from a list of nominees submitted by the Speaker of the House. The four appointed members must possess a current working knowledge of the film, television, or entertainment industry. The Director of Business, Economic Development and Tourism and the chairs of the four county film commissions serve as ex officio voting members.

High Technology Development Corporation

The High Technology Development Corporation, established under section 206M-2, Hawaii Revised Statutes, is responsible for commercial high-technology growth and development in Hawaii, a charter that includes virtually all technology-based economic development activities in the State. Its projects, which facilitate the development of high-tech companies from early start-up to full commercial production, include the Manoa Innovation Center, the Maui Research and Technology Center, the Hawaii Small Business Innovation Research Program, the Hawaii Electric Vehicle Demonstration Program, Tech Jobs Hawaii and the statewide technology website, www.hitechhawaii.com.

The governing body of the Corporation consists of a board of directors having eleven voting members. Six of the members are appointed by the Governor from the general public. The Governor also appoints a member from the faculty of the University of Hawaii. The Director of Business, Economic Development and Tourism, and the Director of Finance serve as ex officio voting members of the Board. The final two members are representatives of the Natural Energy Laboratory of Hawaii Authority and the Hawaii Strategic Development Corporation Boards of Directors.

Housing and Community Development Corporation of Hawaii

The Housing and Community Development Corporation of Hawaii, established under section 201G-2, Hawaii Revised Statutes, is the state government's lead agency in providing Hawaii's residents with affordable housing and shelter opportunities in a balanced and supportive environment. There is created a board consisting of nine members, of whom six shall be public members appointed by the governor. Public members shall be appointed from each of the counties of Honolulu, Hawaii, Maui, and Kauai. One public member shall be the chairperson of the Rental Housing Trust Fund Advisory Commission. At least one public member shall be a person who is directly assisted by the corporation while serving on the board. The Director of

Business, Economic Development, and Tourism and the Director of Human Services, or their designated representatives, and a representative of the governor's office, shall be ex officio voting members.

Land Use Commission

The Land Use Commission, established under section 205-1, Hawaii Revised Statutes, implements the state land use law and the designation of areas into one of four major land use districts: urban, rural, agricultural, and conservation. It establishes boundaries for districting of all lands and serves as a quasi-judicial body in administering the land use law.

It consists of nine members appointed by the Governor: one from each of the state's four counties and five at-large members. The Commission annually elects the Chairperson from among its members.

Natural Energy Laboratory of Hawaii Authority

The Natural Energy Laboratory of Hawaii Authority, established under section 227D-2, Hawaii Revised Statutes, manages and operates a research facility and an industrial park devoted to ocean sciences and technology, both at Keahole Point on the island of Hawaii. The research facility houses projects performing research, development, demonstration, and commercialization of natural energy and related resources. The industrial park provides site and infrastructure for aquaculture and other ocean-related commercial ventures.

The governing body of the Authority consists of eleven voting members: the Director of Business, Economic Development and Tourism, the Chairperson of the Board of Land and Natural Resources, the President of the University of Hawaii, and the Mayor of the County of Hawaii, serving as ex officio voting members; three members from the general public, one of whom is a resident of Hawaii County, appointed by the Governor for staggered terms; the Chairperson and Secretary of the Research Advisory Committee, and one representative each from the boards of the High Technology Development Corporation and the Hawaii Strategic Development Corporation.

Office of Planning

The Office of Planning, established under section 225M-2, Hawaii Revised Statutes, assists the Governor and the Director of Business, Economic Development and Tourism in maintaining an overall framework to guide the development of the State through a continuous process of comprehensive, long-range, and strategic planning to meet the physical, economic, and social needs of Hawaii's people, and provide for the wise use of Hawaii's resources in a coordinated, efficient, and economical manner, including the conservation of those natural, environmental, recreational, scenic, historic, and other limited and irreplaceable resources which are required for future generations.

The head of the office is the Director of the Office of Planning who is appointed by the Governor. The Director must have training in the field of urban or regional planning, public administration, or other related fields; experience in programs or services related to governmental planning; and experience in a supervisory, consultative, or administrative capacity.

Small Business Regulatory Review Board

The Small Business Regulatory Review Board, established under Act 168, Session Laws of Hawaii 1998, as amended by House Bill No. 2449, S.D. 2, passed by the Legislature on April 30, 2002, considers any request from small business owners for review of any rule adopted by a state agency and makes recommendations to the agency or the Legislature regarding the need for a rule change or legislation. For requests regarding county ordinances, the Board may make recommendations to the county council or the mayor for appropriate action. The Board consists of eleven members appointed by the Governor. The appointments reflect representation of a variety of businesses in the State; provided that no more than two members are representatives from the same type of business, and there are at least two representatives from each county.

